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SUBJECT: CHILE MEDIA REPORT - APRIL 21

#### Leading Stories

1. Dailies reproduced information published by government agencies of what their officials earn, in accordance the new Transparency law. Dailies also report that presidential candidate Eduardo Frei named 27-year old Sebastian Bowen to head his presidential campaign. Bowen is the former director of the organization that builds homes for low-income families, "A Roof for Chile."

#### U.S.-Related News

2. Finance Minister Andres Velasco will visit the United States and call on the President of the U.S. Federal Reserve Ben Bernanke, Secretary of the Treasury Tim Geithner, and the NY Federal Reserve President William Dudley (El Mercurio, conservative, influential newspaper-of-record, circ. 129,000, 4/21)

3. Conservative, influential newspaper-of-record "El Mercurio" editorial entitled, "Obama's Summit."  
"President Obama's pragmatism and charisma disarmed the critics of the United States -- again -- and reaffirmed his leadership. Most importantly, it paved the way for a new phase in the relations of the United States with the rest of America.... Obama's search for alliances and cooperation continues to yield results with a pragmatic strategy that has entailed no major costs to the United States.... President Obama's most significant contribution was to create a climate of diplomatic openness and a wider view of the Inter-American agenda.... Not much more happened at the Summit. The joint declaration was long on rhetoric... and had to be signed symbolically only by the host. This was foreseeable in a continent that is fragmented, lacks institutions, and shares no common stance."

4. Column by Cristina Bitar in "La Segunda" entitled, "Cuba in the Summit of the Americas"  
"Although ALBA countries may find that Obama's measures (with regard to Cuba) are insufficient, these are important in showing his desire to change relations with Cuba.... The real question is whether ALBA countries want a 'new era' or if it is more convenient for them to feed the rivalry between the United States and Cuba... which allows their populist and authoritarian ideologies to continue expanding. But I think Obama won this battle, because he not took important steps with regard to Cuba before the Summit. He also said he is willing to lead a 'new beginning' with Cuba, and he even shook hands with Chavez. I hope the rest of Latin America can rescue the best of the Summit to strengthen ties with the United States... and not let ALBA close the door to the beginning of this new era."

¶5. Conservative, afternoon "La Segunda" April 20 editorial entitled, "Obama and Latin America"

"The most obvious outcome of the Summit is, thanks to his audacious and prudent handling, an optimistic welcome... and a deliberately positive attitude by Hugo Chavez..., Barack Obama achieved his goal.

The United States offered the subcontinent a 'new relationship,' which in practice means it accepts different political options in the region, even paving the way for an understanding with the Cuban regime.... The Cuban regime has not said anything... (because) Raul Castro has much to gain and to lose, but it is up to him to decide whether he takes the path that could improve the economic situation, and force democratic openness. Chavez chose to approve Washington's 'change' (in policy). However, it's impossible to predict if he will stop calling his principal enemy the cause of all evils.... On the domestic front, Obama was criticized for not confronting Chavez, but in balance Latin America favors him."

¶6. A robotics team from the Nosedal School in the community of La Pintana won first place for technological innovation at the First Lego League in Atlanta. The students presented a solar-powered sprinkler system and competed with 18,000 students. The Chilean team organized raffles and sought donations to cover the expense to travel to the United States (El Mercurio, 4/21).

¶7. David Bilbao, one of the students injured in the Pensacola shootings, said he would sue the USG. "Someone has to take responsibility for the physical and psychological damage," he said (El Mercurio, 4/19).

¶8. A group of 12 students from a low-income school in Lo Barnechea are visiting the United States as part of the Memphis in May Festival exchange program, which this year features Chile (El Mercurio, 4/20).

#### Transparency Law

¶9. The Transparency Law requires government institutions to make available on the internet the salaries of their employees. Dailies published several salaries for different members of the government: President Bachelet makes 7.3 million pesos per month (US\$12,500); a minister earns 6.6 million (US\$11,300); an assistant secretary 5.9 million (US\$10,100); a senator 6.7 million (US\$11,500); and a supreme court justice 6.5 million (US\$11,100).

¶10. The newly-available public information also showed that several government officials who resigned, or were removed, for corruption or mismanagement scandals were rehired, but in different offices, and are earning salaries of about 3 million pesos (US\$5,100). Such is the case of former Health Minister Soledad Barria, who is now working for the Secretary General to the Presidency. The data also shows that hiring spouses, sons, daughters, in-laws or other relatives is common practice. Private sector CEOs earn on the average 22.5 million pesos (US\$ 38,600) per month, while their counterparts in state-owned companies make 60% less. However, mid-level managerial positions earn about the same in both sectors (US\$22,000). The best paid public official is the Director of National Television (TVN), Daniel Fernandez, who earns 13.6 million a month (US\$23,000) (La Tercera, 4/21).

#### Narcotics

¶10. The Investigations Police (PDI) seized 16,000 doses of pressed Paraguayan marijuana in Easter Island, which was shipped from Santiago. An Easter Islander and his spouse were arrested. They also had cocaine and marihuana plants in their home (Las Ultimas Noticias, leading-circulation, popular, circ. 140,000, 4/19).

¶11. The health authorities have issued a warning on the sale of a type of synthetic marihuana -- "Spice" -- that is sold in stores as "a mix of herbs to smoke." It smells of vanilla and honey and is four times more potent than marijuana (La Tercera, 4/21).

#### Venezuela

¶12. President Hugo Chavez's daughter, Mara Gabriela, who serves as Venezuela's First Lady, is dating the youngest grandson of former Chilean President Salvador Allende, Pablo Sepulveda (La Tercera,

